United Nations E/ICEF/2016/10

Economic and Social Council

Distr.: General
15 April 2016

Original: English

For information

United Nations Children's Fund
Executive Board
Annual session 2016
14-17 June 2016
Item 9 of the provisional agenda*

Report of the Ethics Office of UNICEF for 2015

Summary

The present report is submitted to the UNICEF Executive Board in accordance with section 5.4 of the Secretary-General's bulletin ST/SGB/2007/11, "United Nations system-wide application of ethics: separately administered organs and programmes", and UNICEF Executive Board decisions 2010/18 and 2014/12. The report has been reviewed by the Ethics Panel of the United Nations.

The annual report covers each of the mandated areas of work for the Office: (a) standards-setting and policy support; (b) training, education and outreach; (c) advice and guidance; (d) the financial disclosure programme; (e) the protection of staff against retaliation; and (f) participation in the Ethics Panel of the United Nations and the Ethics Network of Multilateral Organizations. In accordance with Executive Board decision 2014/12, the report also presents recommendations to management to strengthen the organizational culture of integrity and compliance. The report covers activities regarding and services provided to UNICEF staff, as well as consultants and other non-staff, to the extent applicable.

In accordance with the UNICEF Ethics Office Strategic Plan, 2014-2017, the Office had three priorities in 2015: (a) to increase the awareness of staff of the ethics of international civil service; (b) to enhance the understanding of staff of how to avoid or mitigate conflicts of interest; and (c) to promote a "speak-up" culture in UNICEF. The main means of making progress in these areas were the financial disclosure programme, confidential advice given to staff members and office managers, the launch and implementation of the mandatory online training course, support to country offices and headquarters divisions in developing and implementing training programmes, support to offices on follow-up to the Global Staff Survey 2014, the inclusion of ethical considerations in the development of policies and guidelines and the sharing of experience within the United Nations system.

* E/ICEF/2016/5.

16-06229 (E) 050516

Please recycle

Introduction and general information on activities of the Ethics Office

1. The activities of the Ethics Office were undertaken in the following mandated areas of work:

(a) Provide guidance and policy support to management on ethics standards-setting by reviewing and advising on the rules, policies, procedures and practices of the organization in order to reinforce and promote the highest standards of ethics and integrity as required by the Charter of the United Nations, other applicable staff rules and regulations, the directives of UNICEF and the standards of conduct for the international civil service;

(b) Raise the awareness of staff regarding the values and expected standards of conduct and procedures of the United Nations, and the importance of these for delivering sustainable results for children, through training and other outreach;

(c) Provide confidential advice and guidance to staff and management, at their request, on ethics-related policy and practice issues, including conflict of interest, financial disclosure, fostering a speak-up culture and protection against retaliation;

(d) Administer the conflict of interest and financial disclosure programme;

(e) Undertake assigned responsibilities under the policy on protection against retaliation;

(f) Contribute to harmonized approaches to ethics issues within the United Nations system.

2. The Ethics Office received 323 requests for its services in 2015, compared with 271 requests in 2013 and 261 in 2014. The introduction of the mandatory Ethics and Integrity e-learning course may have contributed to the increase in the number of total requests in 2015 because it contributed to increasing the visibility of the Office.

3. Of the 323 requests received in 2015, the largest component (47 per cent) related to services provided under the advisory and guidance function of the Office, followed by requests for training and for information on the financial disclosure programme (11 per cent each). There was an increase in the number of requests relating to protection against retaliation, from 2 in 2013 and 7 in 2014 to 12 in 2015. Figure I shows the percentage distribution of the different types of service requests. Table 1 summarizes the services provided by the Office over the three-year period 2013-2015.

4. Throughout 2015, the Office continued to work closely with offices across UNICEF, aiming to promote common and complementary messaging. Through collaboration, the Office also provided inputs and advice on issues of organizational ethics to offices with regulatory authority. The Office itself, due to its independent advisory nature, does not possess regulatory authority. Collaboration continued with the Division of Human Resources, the Office of Internal Audit and Investigations (OIAI), the Office of the UNICEF Legal Adviser, the Information Technology Solutions and Services Division, the Supply Division and the Staff Association at the global and regional levels. Communication remained close with regional offices. The Ethics Office met regularly with the Office of the Executive Director.

Figure I
Number of requests for Ethics Office services by category, 2015

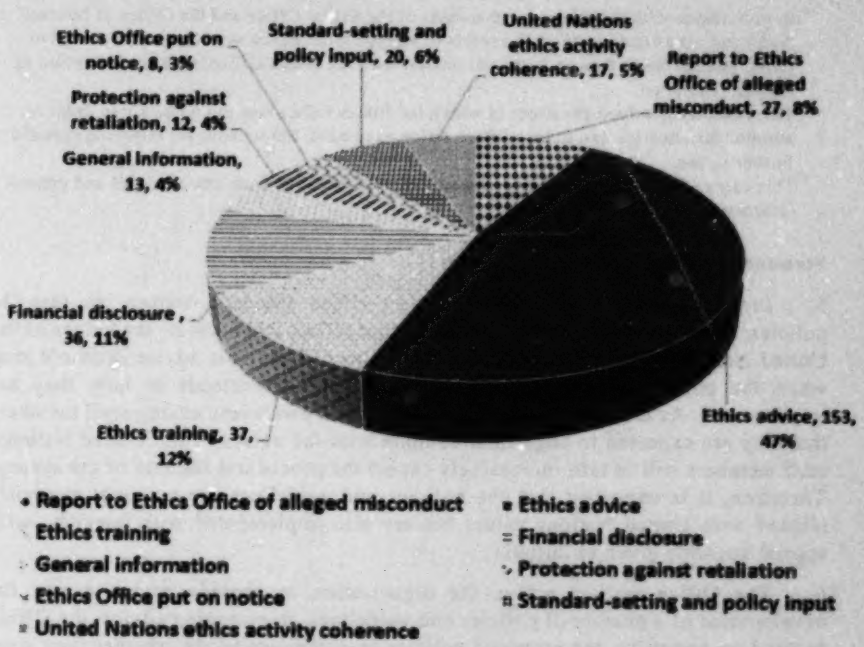

Ethics Office put on notice, 8, 3%
Standard-setting and policy input, 20, 6%
United Nations ethics activity coherence, 17, 5%
Report to Ethics Office of alleged misconduct, 27, 8%
Protection against retaliation, 12, 4%
General information, 13, 4%
Financial disclosure, 36, 11%
Ethics training, 37, 12%
Ethics advice, 153, 47%
Report to Ethics Office of alleged misconduct
Ethics advice
Ethics training
Financial disclosure
General information
Protection against retaliation
Ethics Office put on notice
Standard-setting and policy input
United Nations ethics activity coherence

Table 1
Comparison of the number of requests for ethics services by category, 2013 to 2015

Category	*2013*	*2014*	*2015*
Report to Ethics Office of alleged misconduct[a]	21	14	27
Ethics advice	121	122	153
Financial disclosure	24	1	36
General information	20	33	13
Ethics Office put on notice[b]	9	10	8
Protection against retaliation	2	7	12
Standards-setting and policy input	23	20	20
Ethics training	51	43	37
United Nations ethics activity coherence[c]	0	11	17
Total	**221**	**271**	**323**

(Footnotes on following page)

(Footnotes to table 1)

[a] In accordance with the respective mandates of the Ethics Office and the Office of Internal Audit and Investigations (OIAI), reports of alleged misconduct were typically referred to OIAI, after no more than an initial discussion with the Ethics Office, with the exception of alleged retaliation.

[b] This category involved situations in which the Ethics Office was put on notice in order to monitor the situation and to take future action as needed, but without yet requiring specific further action.

[c] This category was introduced as a distinct category, separate from ethics advice and general information, in 2014.

Standards-setting and policy support

5. Providing advice to management on ethics standards-setting, so that the policies, rules and practices of the organization reflect and promote the values of the United Nations, is a key function of the Ethics Office. This advice does not stop when the policies or guidelines are issued but also extends to how they are implemented. As the organization fosters increased awareness among staff members that they are expected to align their conduct with the values of the United Nations, staff members will in turn increasingly expect the procedural fairness of the system. Therefore, it is important that the policies and guidelines are not only explicitly aligned with United Nations values but are also implemented with integrity, with special attention given to fairness.

6. The Office worked across the organization to provide advice during the development of a number of policies and guidelines. In providing advice, the Office focused on reviewing the proposed policies or guidelines to see whether they were addressing issues of ethics, especially conflicts of interest, including post-employment restrictions, and impartiality. The Office was consulted on a number of issues: the development of the child safeguarding policy; guidelines on ethics in research on and with children; engagement with the private sector; the contracting of goods, consultants and services; post-employment policy; accountability to populations affected by emergencies; and guidelines for external publications.

7. Collaboration with the Division of Human Resources continued to be important during the reporting period in the provision of consistent advice to staff on the organization's policy (CF/EXD/2012-009) regarding outside activities, such as those relating to board memberships, charitable activities and publications (see the United Nations administrative instructions ST/AI/2000/13 and information circular ST/IC/2006/30). The Ethics Office also had frequent consultations with OIAI, the Office of the Ombudsman and the Office of the Staff Counsellor to improve understanding of the risks that the organization faces if ethics are breached.

Training, education and outreach

8. The Ethics Office promotes awareness, through training, education and outreach, of the expected behaviour of those working in the international civil service so that the values of the United Nations become tangible. The training also aims to promote awareness of the cognitive biases that can make it difficult for staff members to consistently adhere to these standards of behaviour and policies in daily decision-making. The conversations on ethics address the recognition of conflicts of

interest and related dilemmas, challenges to impartiality and the risks posed when excessive conformity inhibits speaking up.

9. In June, UNICEF launched the new online basic ethics awareness course, adapted from the e-learning course of the Secretariat. The course was made available in English, French and Spanish. It is mandatory for all current staff and is included in the induction package for all new staff. As of 31 December 2015, 77 per cent of staff had completed the online course.

10. Ethical leadership is key to fostering an ethical organizational culture. For this reason, the Office worked with regional management teams, the Division of Human Resources (on leadership programmes for role-based training) and country management teams (on the role of leaders). Regarding role-based training, the Office provided training and materials on ethical considerations in managing UNICEF programmes.

11. In 2015, the Office received a total of 62 requests for training or training support and responded by making its services available. With respect to 37 of those requests, the office provided training materials and tutoring services for facilitators of local ethics dialogues organized by individual offices as well as briefings and other relevant information, including the identification of potential external training facilitators.

12. In addition, the Office received and responded to 25 requests for face-to-face group training, 16 of which were for offices in the field. Accordingly, a total of approximately 1,320 staff members received face-to-face training. More than 90 per cent of these staff members work at the country level. The figure of 62 requests for training and training support does not include shorter ad hoc briefings of groups or individuals on site, leadership training or support to local training via Skype or other special training. It also does not include the number of Ethics Dialogue Facilitators trained using web-based methods. No specific separate numeric record was kept for such ad hoc or web-based training activities.

13. In order to foster a speak-up culture, the face-to-face training explains how the process for protection against retaliation works. The Office anticipates that by better understanding the process, staff will feel more comfortable speaking up and will use the protection mechanism correctly.

14. The Office, in collaboration with the regional offices and the Division of Human Resources, piloted the Ethics Dialogue Facilitator initiative in late 2013, with the aim of enabling country offices to carry out shorter but more frequent ethics dialogues in order to promote a habit of ethical reflection at the time of decision-making. In 2014, the initiative was taken to scale, resulting in the web-based training of a total of 150 Facilitators in 71 countries. In 2015, case study-based follow-up training was provided in one region. On the basis of that experience, an institutional contract was established to develop case studies and to provide Facilitators with web-based training on their use in their offices. Thirty Facilitators were trained in English, French or Spanish. Going forward, the Ethics Office will review the use of country-based Ethics Dialogue Facilitators and consider whether the initiative has been successful.

15. The Ethics Office values its collaboration with the Supply Division, which conducts training on managing procurement and contracts. Integrity in procurement and contracts management is part of the basic training package. In 2015, the Supply Division conducted 15 sessions on integrity issues with a total of 348 participants. Among these were 176 staff members from offices and divisions other than the Supply Division, with 139 from field offices and 37 from headquarters. The Office also supported the Supply Division by providing it with case studies and other information for the development of an e-learning module on procurement, planned for launch later in 2016. The Office continues to exchange information and experiences with the Supply Division training team.

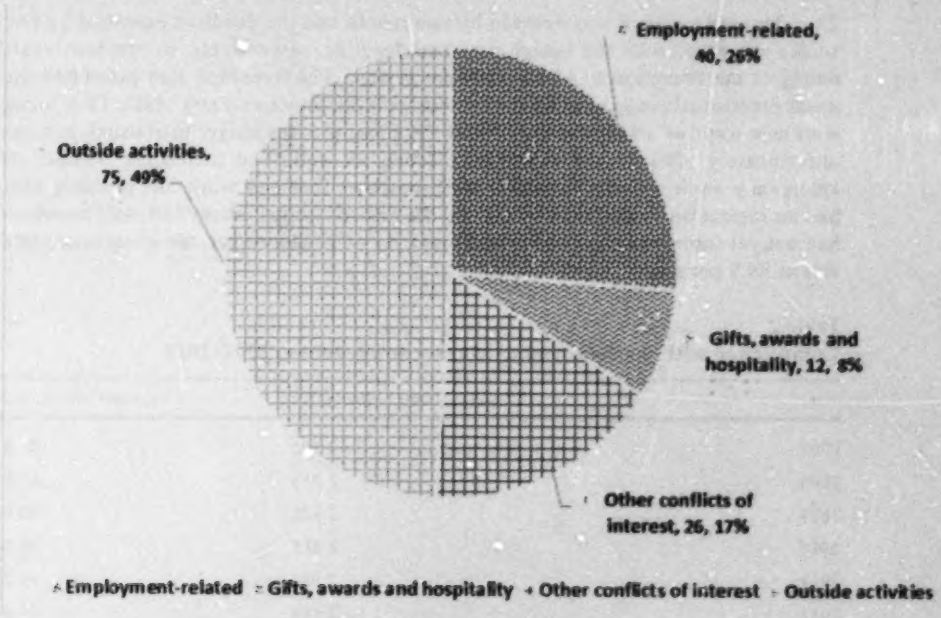
Advice and guidance

16. The Ethics Office received 153 requests for ethics advice in 2015 compared with 121 in 2013 and 122 in 2014. As shown in figure II, almost half of the requests (49 per cent) were related to the outside activities of staff members. While the majority of requests came from individual staff members, many were from managers seeking advice on addressing ethical dilemmas at UNICEF regarding outside entities or on responding to staff requests and questions. Within the above-mentioned broad categories, the Office noted requests for advice regarding personal social media, post-employment restrictions and the mitigation of conflicts of interests that originate from staff members' participation in outside activities.

17. Close to a quarter of requests were related to employment. These were often connected to performance management and interpersonal problems, usually between a staff member and a supervisor. Concerns of sexual harassment also came up. Staff members lack confidence in the established mechanisms for addressing sexual harassment, often showing scepticism about using the relevant formal channels. In 2013, the Office introduced the concept of a speak-up culture to foster the confidence of staff in the established oversight mechanisms and it has since reached out to senior managers at the level of the Global Management Team to develop measures for improving its ethical culture. Such measures include inter alia the introduction of the mandatory ethics online training and the training of the Ethics Dialogue Facilitators.

18. With regard to conflicts of interest, the Office maintains close collaboration with the Division of Human Resources in terms of advice provided. The majority of questions in this category continued to come to the Office through the Division, although there was a welcome increase in the number of requests from country office staff and management regarding the management of conflicts of interest for locally recruited staff. We were pleased to note that several requests for advice referenced the online training course.

Figure II
Requests for ethics advice by subcategory, 2015



Financial disclosure programme

19. The Ethics Office continued to administer the financial disclosure programme, the main objective of which is the management of conflicts of interest. To increase awareness of the importance of managing conflicts of interest, the Office, in internal communications with staff members, refers to this programme as the "conflicts of interest and financial disclosure programme". The programme has now reached its eighth year of operation and continues to be an important tool for fostering a culture of integrity in UNICEF. The programme continues to protect UNICEF against conflicts of interest and various organizational risks relating to the outside activities and financial engagements of staff members.

20. In accordance with the Executive Directive of 2012 (CF/EXD/2012-003), all staff members at the D-1 level and above and any staff member whose responsibilities are identified in the financial disclosure policy of UNICEF are required to file a disclosure. In addition to preselected staff members who are required to file due to their level or functional title, additional staff members are selected in accordance with the policy, jointly by the Ethics Office and the head of each office, during the annual filer registration process. The Office relies greatly on the individual offices for selecting additional staff members according to a risk assessment based on their level and function. The number of staff members participating in reporting under the financial disclosure programme was 2,498 in 2013 and 2,594 in 2014. A total of 2,549 staff members, or approximately 20 per cent of UNICEF staff, were selected in 2015 to participate in the reporting for the period 1 January to 31 December 2014. The participants included staff members at the director and representative levels who became eligible to participate after the

Programme launch on 1 April 2015, and who were sent a notification to begin filing their disclosure in September 2015.

21. The 2015 launch was delayed by one month and the deadline extended by two weeks compared with the launch date and deadline, respectively, in previous years owing to the transition to a new software system. The transition also prevented the usual practice of prepopulating the system with the previous years' data. This, along with new ways of asking for data, made the filing process longer than usual, and has unfortunately affected the compliance level, as well. The increasing number of emergency environments in which staff members live and work has possibly also had an impact on compliance levels. By the end of August, about 130 staff members had not yet submitted their CIFD statement. As of 31 December, the compliance rate was at 98.9 per cent.

Table 2
Compliance with the financial disclosure programme, 2007-2015

Year	*Number of staff required to file*	*Compliance (percentage)*
2007	2 545	82.8
2008	2 556	83.8
2009	2 536	100.0
2010	2 365	99.6
2011	2 592	99.7
2012	2 694	99.9
2013	2 498	100.0
2014	2 594	100.0
2015	2 549	98.9

22. The review of the disclosures is a crucial step towards understanding the conflict-of-interest risk. Efforts were made to mitigate risks relating to conflicts of interest and to provide staff members with guidance on how to prevent conflicts relating to their professional obligations. The conflicts identified fell into two categories, namely (1) conflict-of-interest risks relating to the outside activities of staff members and (2) relationship-based conflict-of-interest risk, which related to staff with family members who work in the United Nations system. Out of the filers, 5.1 per cent were involved in some kind of outside activity. Having received guidance in previous years, staff have become more cognizant of the actions needed to deal with conflicts of interest. Thus, many proactively indicated in their disclosures appropriate mitigation measures, thus reducing the need for guidance notes. Overall, out of the 2,514 staff members who filed a disclosure, 15 per cent had some form of conflict-of-interest risk requiring a customized guidance note.

23. The verification process is an integral part of the financial disclosure programme and serves to improve the accuracy of the information disclosed by staff members. In 2015, the Office conducted its third verification of the disclosures. Out of the 2,549 staff members who were required to file, those who were verified the previous year (58) and those who had nothing to declare (299) were removed, leaving 2,192 eligible for verification. Slightly under 4 per cent (84 statements), diversified by location and grade, were randomly selected for verification, with the

distribution by region proportional to the population and the distribution by grade skewed towards the higher grade levels. Forty-four per cent of the selected staff selected were from the P-5 level and higher and 19 per cent were from the NO-3 to NO-5 levels. The staff members selected for verification were required to provide supporting documentation, including third-party documents, to validate the information disclosed in their statements. This verification process was the first to have been carried out using the new software that enables staff members to directly upload their documents to the system. In previous years, the only options were to submit documents by e-mail attachment or pouch. Seventy-five per cent opted to upload their documents. Seventy-three staff members (87 per cent) were successfully verified; three submitted partial documentation; three submitted no documentation; one submitted documentation but failed to submit the original disclosure form; and four retired or otherwise separated during the verification process.

Protection of staff against retaliation

24. Serving as the focal point for the policy on protection against retaliation is a key part of the work of the Ethics Office. In 2015, the Office received 12 requests, all but 2 from country offices, relating to protection against retaliation. Five of those requests were for information, resulting in the provision of policy guidance and other related advice to staff. In three additional cases, after the sharing of the policy and further discussions with the concerned staff members, it was clear that their cases did not involve retaliation. Advice was given on ways to address their issues. In two cases, the Office conducted preliminary reviews, concluding in both instances that there was no prima facie case of retaliation. The investigation of one prima facie case from 2014 was concluded in 2015. The OIAI investigation report concluded that the staff member had made the allegation of retaliation in good faith and that the staff member's stated intention to submit a complaint about inappropriate conduct appeared to have been the driving force behind the proposed administrative act that would have carried adverse consequences for the staff member.[1] The Principal Adviser, Ethics, reviewed the OIAI investigation report as well as the relevant background documents, agreed with the outcome of the investigation and made her recommendations to the Executive Director, namely, recommending (1) to cancel the proposed administrative act; (2) to have the operational basis for the proposed administrative act reviewed in an independent manner; and (3) to consult the Division of Human Resources regarding disciplinary or other action against the official who had proposed the administrative act.

25. A speak-up culture is important for an organization that aims to foster the alignment of staff conduct with expected standards and to consider various views and inputs before critical strategic decisions are made. Yet attaining a speak-up culture remains difficult for staff, in spite of the various mechanisms of formal and informal reporting instituted by the organization, as such a culture involves three tenets in which staff members must trust: (a) that a staff member can speak up without fear of retaliation or other negative consequences; (b) that speaking up is not futile; and (c) that working mechanisms to resolve questions of misconduct or other disputes are applied fairly. Thus, the Key Performance Indicator (KPI) in the

[1] The proposed administrative act was the abolition of the staff member's post. The Deputy Executive Director, Management, suspended the implementation of the proposed administrative act pending the outcome of the review of the staff member's complaint to the Ethics Office.

Strategic Plan, 2014-2017 on a speak-up culture was conceived as a composite indicator of the three tenets for the Global Staff Survey. Four indicators measuring staff perception, two related to fear and one each on futility and fairness, were used to calculate the composite index. According to the Survey of 2014, in terms of the KPI on speak-up culture, that 51 per cent of survey respondents perceived that they could speak up.

Ethics Panel of the United Nations and the Ethics Network of Multilateral Organizations

26. In 2015, UNICEF participated in 10 of the 11 meetings of the Ethics Panel of the United Nations. In addition to these meetings, the members of the panel frequently consulted each other in order to harmonize advice and practices. This process has been extremely useful in improving the quality of advice and contributing to the greater harmonization of both the policies used by the participating funds and programmes and their interpretation. Further information on the work of panel is available in the report of the Secretary-General on the activities of the Ethics Office (A/70/307), covering the period from 1 August 2014 to 31 July 2015, that was presented at the seventieth session of the General Assembly.

27. UNICEF also participates in the yearly meeting of the Ethics Network of Multilateral Organizations. The meeting is an excellent forum in which to exchange materials and to share and develop best practices. In 2015, the Principal Adviser, Ethics, participated as a panel member in the session on the harmonization and cohesion of ethics training within the United Nations system.

Recommendations to management

28. The first paragraph of the Strategic Plan, 2014-2017 of the UNICEF Ethics Office, states that the fundamental mission of UNICEF is to promote the rights of every child, everywhere, in everything the organization does — in programmes, in advocacy and in operations. The focus on equity, emphasizing the most disadvantaged and excluded children and their families, further translates into action this commitment to children's rights. For UNICEF, equity means that all children have an opportunity to survive, develop and reach their full potential, without discrimination, bias or favouritism. Ethical behaviour and decision-making are critical for UNICEF in fulfilling this mission.

29. In 2015, UNICEF launched the online ethics course and made it mandatory for all staff members. The Ethics Office received unsolicited messages stating appreciation for the course as well as an increased number of requests for advice, often referencing what the staff member had learned in the online course. To continue this trend, the Office recommends that the use of the new online course in the induction programme for new staff members be monitored by management in every office. Management has accepted this recommendation in principle. The Ethics Office has been informed that the Division of Human Resources is currently looking into ways to implement the recommendation.

30. The financial disclosure programme and the overall awareness-raising have improved the understanding of conflicts of interest. However, feedback received by the Office during and after training sessions and ethics dialogue sessions indicated that the understanding by staff members of conflict-of-interest issues and other ethics dilemmas needs to improve further. The Division of Human Resources and

the Ethics Office have also noted an increasing number of requests for advice on how to manage the potential conflicts of interest of newly recruited staff members, in particular for those on special-leave status from another employer. The Office recommends that a system be implemented to allow new staff, as part of the recruitment process, to disclose and proactively manage possible conflicts of interest. Management has accepted this recommendation in principle. The Ethics Office has been informed that the Division of Human Resources is available to work together with the Ethics Office to implement the recommendation.

31. The continued promotion of a speak-up culture is expected increasingly to enable the organization to address unethical conduct early enough so that it does not become an organizational risk. The benefits of a speak-up culture go further, however, helping to enhance open dialogue on innovative and strategic issues. The organization has committed to instituting tools, such as 360 performance evaluation, to achieve accountability regarding fostering a speak-up culture. The Office recommends that the introduction of such tools be expedited and that staff be consulted about them, as it is important that staff members perceive them to be useful accountability tools that foster a speak-up culture. It is also important to implement the next Global Staff Survey in a timely manner, in order to continue to measure the speak-up culture KPI. Management should strive for at least 80 per cent of respondents to feel that they can speak up based on the composite index used in the KPI. Management has accepted this recommendation in principle. The Ethics Office has been informed that the Division of Human Resources is taking steps towards a more effective performance management system which, in its view, will contribute to a cultural change that it considers necessary for an effective speak-up culture. However, the Division of Human Resources has also cautioned that a target of 80 per cent may be difficult to achieve in a short period of time.

32. The Office continues to receive requests for advice on perceived sexual harassment. The Office recommends that the next Global Staff Survey include specific questions on sexual harassment and that the organization develop an action plan to prevent and address sexual harassment. Management has accepted this recommendation with respect to the inclusion of specific questions in the next Global Staff Survey. The Ethics Office has been informed that the Division of Human Resources will include such questions, subsequent to consultation with the Ethics Office.

33. The Office recommends that a child safeguarding policy, internal to UNICEF, be developed as soon as possible, with the required involvement of all relevant internal stakeholders, including the Ethics Office, and management has accepted this recommendation.

34. Most staff members have personal social media accounts. Staff and office management have been asking an increasing number of questions regarding the appropriate use of social media. The Office recommends that UNICEF update its social media guidelines to enable staff members to use them in accordance with the standards of conduct for the international civil service. Management has accepted this recommendation in principle. The Ethics Office has been informed that the Division of Human Resources is available to work together with the Division of Communication to implement the recommendation.

35. The Ethics Office is committed to cultivating and nurturing a culture of ethics, integrity and accountability in UNICEF. Towards this end, it will continue to

collaborate with all offices and divisions, the Global Staff Association, Ethics Offices in the United Nations system and other stakeholders to continue to foster an ethical organizational culture.

36. Under the new leadership of the incoming Principal Adviser, Ethics, who joined UNICEF in February 2016, the Ethics Office is committed to further professionalizing the ethics function, firmly establishing the relevance of professional ethics for UNICEF decision makers at all levels of seniority and ensuring an integrated, harmonized approach between all the oversight and good governance functions of UNICEF. Under the new Principal Adviser, the Office will therefore continue to work very closely with OIAI, the Office of the UNICEF Legal Adviser and the Division of Human Resources. The UNICEF Ethics Office is strongly committed to applying the same integrated, harmonized approach vis-à-vis the United Nations Ethics Office and the respective Ethics Offices of the other United Nations funds and programmes.